

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 July 2011

Unaudited Condensed Consolidated Statement of Financial Position
As at 31 July 2011

		31-Jul-11	31-Jan-11
ASSETS	<u>Note</u>	RM'000	RM'000
Cash and short-term funds		214,119	394,897
Deposits with financial institutions	9	269,466	21,489
Securities held-for-trading	10	337,708	353,818
Securities available-for-sale	11	552,583	519,479
Securities held-to-maturity	12	94,000	70,000
Derivative financial assets		6,682	9,552
Loans, advances and financing	13	511,802	649,880
Trade receivables	14	343,306	485,318
Other assets	15	34,358	21,760
Statutory deposit with Bank Negara Malaysia		36,320	8,834
Investment in associated company		19,757	19,757
Deferred tax assets		-	11,687
Property, plant and equipment		41,812	42,451
Intangible assets		284,500	284,500
TOTAL ASSETS		<u>2,746,413</u>	<u>2,893,422</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits from customers	16	1,062,771	1,046,806
Deposits and placements of banks and other financial institutions	17	164,797	201,008
Trade payables	18	454,290	577,837
Other liabilities	19	55,377	73,865
Provision for taxation		22	42
Deferred tax liabilities		3,353	958
TOTAL LIABILITIES		<u>1,740,610</u>	<u>1,900,516</u>
EQUITY			
Share capital		830,902	830,902
Reserves		176,480	169,890
Less: Treasury shares, at cost	6	(1,579)	(7,886)
TOTAL EQUITY		<u>1,005,803</u>	<u>992,906</u>
TOTAL LIABILITIES AND EQUITY		<u>2,746,413</u>	<u>2,893,422</u>
Net assets per share (RM)		1.21	1.21

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2011 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 July 2011

Unaudited Condensed Consolidated Statement of Comprehensive Income
for the second quarter ended 31 July 2011

	Current quarter ended 31-Jul-11 RM'000	Corresponding quarter ended 31-Jul-10 RM'000	Current year to date 31-Jul-11 RM'000	Corresponding year to date 31-Jul-10 RM'000
Note				
Revenue	45,864	33,082	92,453	67,857
Interest income	20 20,235	16,032	41,417	29,924
Interest expense	21 (11,799)	(8,062)	(23,305)	(15,232)
Net interest income	8,436	7,970	18,112	14,692
Non-interest income	22 25,629	17,050	51,036	37,933
Other non-operating income	23 359	180	1,205	498
Net income	34,424	25,200	70,353	53,123
Operating expenses	24 (20,928)	(17,226)	(41,481)	(32,877)
Operating profit	13,496	7,974	28,872	20,246
Share of loss of an associated company	-	(813)	-	(813)
Writeback of/(allowance for) losses on loans, advance and financing	25 1,194	(478)	2,160	(2,866)
Writeback of impairment allowance for bad and doubtful debts	26 4,977	260	6,762	311
Writeback of impairment loss	27 -	-	956	-
Profit before tax	19,667	6,943	38,750	16,878
Income tax expense	38 (5,046)	(1,886)	(9,809)	(4,570)
Profit after tax	14,621	5,057	28,941	12,308
Other comprehensive income:				
Net gain/(loss) on available-for-sale financial assets	3,368	(1,055)	14,195	(2,979)
Currency translation differences	(5)	(1)	(26)	(58)
Income tax relating to components of other comprehensive income	(132)	264	(2,839)	745
Other comprehensive income for the period, net of tax	3,231	(792)	11,330	(2,292)
Total comprehensive income for the period	17,852	4,265	40,271	10,016
Earnings per share ("EPS"):	Sen	Sen	Sen	Sen
- basic / diluted *	1.79	0.62	3.54	1.52

* Outstanding Employee Share Options Scheme ("ESOS") have been excluded from the computation of fully diluted earnings per RM1 ordinary shares as the average market price of the ordinary shares is currently below the exercise price of the options.

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2011 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 July 2011

Unaudited Condensed Consolidated Statement of Changes in Equity
for the financial period ended 31 July 2011

	-----Non-distributable-----						Distributable			Total RM'000
	Share capital RM'000	Treasury shares RM'000	Merger reserve RM'000	Foreign currency translation reserve RM'000	Available for sale revaluation reserve RM'000	Equity compensation reserve RM'000	Statutory reserve RM'000	General reserve RM'000	Retained profits RM'000	
As at 1 February 2011	830,902	(7,886)	26,561	(3,295)	718	3,526	65,720	159	76,501	992,906
Total comprehensive income	-	-	-	(26)	11,356	-	-	-	28,941	40,271
Transactions with owners:										
Share buy-back by the Company	-	(12,170)	-	-	-	-	-	-	-	(12,170)
Cash dividend paid	-	-	-	-	-	-	-	-	(15,204)	(15,204)
Share dividend	-	18,477	-	-	-	-	-	-	(18,477)	-
	-	6,307	-	-	-	-	-	-	(33,681)	(27,374)
As at 31 July 2011	830,902	(1,579)	26,561	(3,321)	12,074	3,526	65,720	159	71,761	1,005,803
As at 1 February 2010	830,902	(11,380)	26,561	(2,355)	12,191	3,846	33,934	159	70,822	964,680
Total comprehensive income	-	-	-	(58)	(2,234)	-	-	-	12,308	10,016
Transactions with owners:										
Share buy-back by the Company	-	(5,710)	-	-	-	-	-	-	-	(5,710)
Cash dividend paid	-	-	-	-	-	-	-	-	(18,542)	(18,542)
Share dividend	-	9,204	-	-	-	-	-	-	(9,204)	-
	-	3,494	-	-	-	-	-	-	(27,746)	(24,252)
As at 31 July 2010	830,902	(7,886)	26,561	(2,413)	9,957	3,846	33,934	159	55,384	950,444

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2011 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 July 2011

Unaudited Condensed Consolidated Statement of Cash Flow
for the financial period ended 31 July 2011

	6 months ended	
	31-Jul-11	31-Jul-10
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	38,750	16,878
Adjustment for non-cash items	1,722	5,275
Operating profit before working capital changes	<u>40,472</u>	<u>22,153</u>
Net decrease/(increase) in operating assets	36,567	(302,458)
Net increase in operating liabilities	(162,234)	(5,356)
Cash generated from/(used in) operations	<u>(85,195)</u>	<u>(285,661)</u>
Net tax refunded/(paid)	9	(167)
Net generated from/(used in) operating activities	<u>(85,186)</u>	<u>(285,828)</u>
Cash flows from investing activities		
Dividend received	336	476
Net (purchase)/sale of securities	(35,040)	138,602
Purchase of treasury shares	(12,170)	(3,294)
Net purchase of property, plant and equipment	(4,342)	(2,316)
Capital injection to a subsidiary company	-	-
Net cash (used in)/generated from investing activities	<u>(51,216)</u>	<u>133,468</u>
Cash flows from financing activities		
Dividend paid	(15,204)	-
Repayment of short term borrowings	-	(83)
Interest paid	(23,352)	(7,170)
Net cash used in financing activities	<u>(38,556)</u>	<u>(7,253)</u>
Net increase/(decrease) in cash and cash equivalents	(174,958)	(159,613)
Effects of foreign exchange rate changes	-	879
Cash and cash equivalents at beginning of year	219,319	479,033
Cash and cash equivalents at end of year	<u>44,361</u>	<u>320,299</u>
Cash and cash equivalents comprise:		
Cash and short-term funds	214,119	478,762
Less: Monies held in trust	(169,758)	(165,406)
	<u>44,361</u>	<u>313,356</u>

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2011 of the Group.

Part A: Explanatory notes pursuant to Financial Reporting Standards ("FRS") 134

1 Basis of preparation

This unaudited quarterly financial report of the Group has been prepared on a historical cost basis, unless otherwise disclosed in the notes to the financial statements and are in accordance with the Companies Act, 1965 and FRS 134 "Interim Financial Reporting" in Malaysia as modified by Bank Negara Malaysia ("BNM")'s Guidelines.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2011.

The accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted in the annual financial statements for the year ended 31 January 2011, except for the adoption of the following Financial Reporting Standards ("FRS"), Amendments to FRSS, IC Interpretations and Technical Release ("TR"):

Amendments to FRS 132 Financial Instruments: Presentation - Classification of Rights Issues
FRS 1 First-time Adoption of Financial Reporting Standards
FRS 3 Business Combinations
FRS 127 Consolidated and Separate Financial Statements
IC Interpretation 12 Service Concession Arrangements
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17 Distributions of Non-cash Assets to Owners
Amendments to FRS 2 Share-based Payment
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138 Intangible Assets
IC Interpretation 18 Transfers of Assets from Customers
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives
IC Interpretation 4 Determining Whether an Arrangement contains a Lease
Amendments to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
and Additional Exemptions for First-time Adopters
Amendments to FRS 7 Improving Disclosures about Financial Instruments
TR i-4 Shariah Compliant Sale Contracts
Amendments to FRSS contained in the document entitled "Improvements to FRSS (2010)"

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1 Basis of preparation (cont'd.)

The adoption of the other FRSs, Amendments to FRSs, IC Interpretations and Technical Release above generally did not have any material impact on the financial results of the Group, as they mainly deal with accounting policies affecting transactions which do not form part of the Group's normal business operations or transactions.

The Group has not adopted the following revised FRSs, IC Interpretations and Amendments to FRSs issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective.

Effective for annual periods commencing on or after 1 July 2011:

IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments

Amendments to IC Interpretation 14 Prepayments of a Minimum Funding Requirement

Effective for annual periods commencing on or after 1 January 2012:

FRS 124 Related Party Disclosures

IC Interpretation 15 Agreements for the Construction of Real Estate

Amendments to IC Interpretation 15 Agreements for Construction of Real Estate

2 Audit report of preceding annual financial statements

The auditors' report on the Financial Statements for the year ended 31 January 2011 of the Company was not subjected to any qualification.

3 Seasonality and cyclicity factors

The operations of the Group were not materially affected either by seasonal or cyclical factors.

4 Exceptional items/unusual events

There was no unusual item affecting assets, liabilities, equity, net income, or cash flows during the second quarter ended 31 July 2011.

5 Variation from financial estimates reported in preceding financial year

There were no changes in estimates of amounts reported in the preceding financial year that would have a material effect in the current quarter results.

6 Debt and equity securities

A total of 24,366,154 treasury shares were distributed as share dividend on the basis of one (1) treasury share for every thirty-three (33) existing ordinary shares of RM1.00 each held on 30 May 2011. The distribution of the share dividend was completed on 7 June 2011.

As at 31 July 2011, the number of treasury shares held after deducting the above share dividend distribution was 2,082,862 shares.

7 Dividend paid

During the financial quarter ended 31 July 2011, a final single tier dividend of 1.89 sen per ordinary share of RM1.00 each held for the financial year ending 31 January 2011, amounting to RM15,204,039 was paid on 7 June 2011.

A share dividend distribution consisting of 24,366,154 treasury shares as mentioned in Note 6 above was also completed on 7 June 2011.

8 Segmental reporting

The Group's reportable operating segments are identified based on business units which are engaged in providing different services and products, as follows:

- (i) Stockbroking - stockbroking, share margin financing and dealing in securities
- (ii) Investment banking and structured financing - corporate finance advisory, equity capital markets services, debt capital markets and structured lending activities
- (iii) Treasury and capital market operations - treasury activities including money market operations, foreign exchange and proprietary investments
- (iv) Fund management - unit trust funds and asset management
- (v) Others - not significant to be individually disclosed

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)

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8 Segmental reporting (cont'd.)

6 months ended 31 July 2011	Stockbroking RM'000	Investment banking and Structured financing RM'000	Treasury and Capital market operations RM'000	Fund management RM'000	Others RM'000	Total RM'000	Inter- segment elimination RM'000	Group total RM'000
Revenue from external customers	29,138	25,174	31,278	5,989	874	92,453	-	92,453
Inter-segment revenue	-	-	25,696	-	65	25,761	(25,761)	-
	29,138	25,174	56,974	5,989	939	118,214	(25,761)	92,453
Net interest income	1,313	11,230	5,314	126	129	18,112	-	18,112
Non-interest income	25,294	5,322	13,815	5,863	742	51,036	-	51,036
Other non-operating income	78	28	960	-	139	1,205	-	1,205
Net income	26,685	16,580	20,089	5,989	1,010	70,353	-	70,353
Operating expenses	(23,083)	(2,187)	(9,160)	(4,073)	(2,978)	(41,481)	-	(41,481)
Operating profit/(loss)	3,602	14,393	10,929	1,916	(1,968)	28,872	-	28,872
Writeback of losses on loans, advances and financing	91	2,066	-	-	3	2,160	-	2,160
(Allowance for)/writeback of impairment allowance for bad and doubtful debts	(51)	(83)	6,896	-	-	6,762	-	6,762
Writeback of/(allowance for) impairment loss	-	-	1,043	(87)	-	956	-	956
Profit/(loss) by segments / profit/(loss) before tax	3,642	16,376	18,868	1,829	(1,965)	38,750	-	38,750
Segment assets	429,065	418,434	1,523,941	18,210	93,522	2,483,172	(41,016)	2,442,156
Investment in associated company								19,757
Intangible assets								284,500
Total assets								2,746,413

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8 Segmental reporting (cont'd.)

6 months ended 31 July 2010	Stockbroking RM'000	Investment banking and Structured financing RM'000	Treasury and Capital market operations RM'000	Fund management RM'000	Others RM'000	Total RM'000	Inter- segment elimination RM'000	Group total RM'000
Revenue from external customers	21,158	18,850	21,927	5,413	509	67,857	-	67,857
Inter-segment revenue	-	-	10,768	-	25	10,793	(10,793)	-
	21,158	18,850	32,695	5,413	534	78,650	(10,793)	67,857
Net interest income	1,177	10,151	3,179	102	83	14,692	-	14,692
Non-interest income	18,497	3,405	10,303	5,311	417	37,933	-	37,933
Other non-operating income	269	20	185	21	3	498	-	498
Net income	19,943	13,576	13,667	5,434	503	53,123	-	53,123
Operating expenses	(20,618)	(3,005)	(4,804)	(3,554)	(896)	(32,877)	-	(32,877)
Operating profit	(675)	10,571	8,863	1,880	(393)	20,246	-	20,246
Writeback of/(allowance for) losses on loans, advances and financing	40	(2,893)	-	-	(13)	(2,866)	-	(2,866)
Writeback of impairment allowance for bad and doubtful debts	309	-	-	-	2	311	-	311
(Loss)/profit by segments	(326)	7,678	8,863	1,880	(404)	17,691	-	17,691
Share of loss of an associated company								(813)
Profit before tax								16,878
Segment assets	422,596	436,750	1,376,227	18,168	73,509	2,327,250	(33,105)	2,294,145
Investment in associated company								18,660
Intangible assets								284,500
Total assets								2,597,305

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9 Deposits with financial institutions

	31-Jul-11	31-Jan-11
	RM'000	RM'000
Licensed banks	214,466	1,489
Licensed investment banks	55,000	20,000
	269,466	21,489

Included in deposits with financial institutions are monies held in trust for clients and dealers' representatives as follows:

Money at call and deposits placements maturing more one month	30,636	636
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10 Securities held-for-trading

	31-Jul-11	31-Jan-11
	RM'000	RM'000
At fair value		
Bankers' acceptances	331,460	304,060
Bank Negara Malaysia Notes	-	49,758
Quoted shares	6,248	-
	337,708	353,818

11 Securities available-for-sale

	31-Jul-11	31-Jan-11
	RM'000	RM'000
At fair value		
Malaysian Government Securities	150,359	70,973
Malaysian Government Investment Issuance	21,809	-
Cagamas bonds	59,989	60,014
Bank Negara Malaysia Notes	54	149,498
Quoted shares	137,265	46,247
Unquoted securities		
- Private debt securities	184,654	195,251
- Shares	2,200	2,200
	556,330	524,183
Less: Impairment loss on securities	(3,747)	(4,704)
	552,583	519,479

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11 Securities available-for-sale (cont'd.)

The balance of securities that were reclassified out from held-for-trading to available-for-sale during a previous financial year:

	31-Jul-11	31-Jan-11
	RM'000	RM'000
Carrying value as at beginning of financial period/year	3,926	49,282
Disposal of securities	-	(47,215)
Loss on revaluation		
- recognised in available-for-sale revaluation reserves	(681)	(1,082)
Deferred tax under-recognised	-	2,941
Carrying value as at end of financial period/year	3,245	3,926

12 Securities held-to-maturity

	31-Jul-11	31-Jan-11
	RM'000	RM'000
At cost		
Negotiable instruments of deposit	94,000	70,000

13 Loans, advances and financing

	31-Jul-11	31-Jan-11
	RM'000	RM'000
Share margin financing	341,094	319,135
Term loans	168,846	276,004
Revolving credit	9,878	5,882
Bridging loans	-	59,035
Gross loans, advances and financing	519,818	660,056
Less: Collective assessment allowance	(8,016)	(10,176)
Total net loans, advances and financing	511,802	649,880

Analysis of gross loans, advances and financing

<u>By residual contractual maturity</u>		
Maturity within one year	485,470	660,056
More than one year to three years	34,348	-
Gross loans, advances and financing	519,818	660,056

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13 Loans, advances and financing (cont'd.)

	31-Jul-11	31-Jan-11
	RM'000	RM'000
<u>By economic purpose</u>		
Purchase of securities	376,024	473,531
Working capital	68,738	111,469
Others	75,056	75,056
Gross loans, advances and financing	519,818	660,056
<u>By interest rate sensitivity</u>		
Fixed rate		
- Share margin financing, term loans, revolving credit and bridging loans	519,818	660,056
Gross loans, advances and financing	519,818	660,056
<u>By type of customer</u>		
Domestic business enterprises	388,132	377,112
Individuals	116,452	240,128
Domestic non-bank financial institutions	15,234	42,816
Gross loans, advances and financing	519,818	660,056
(i) Movements in Impaired loans		
Balance at beginning of financial period/year	-	-
Classified as impaired during the period/year	-	-
Recovered during the period/year	-	-
Balance at end of financial period/year	-	-
(ii) Movements in allowance for losses on loans and financing		
Collective assessment allowance		
Balance at beginning of financial period/year	10,176	5,117
(Writeback of)/allowance made during the period/year	(2,160)	5,059
Balance at end of financial period/year	8,016	10,176
As % of gross loans, advances and financing less individual assessment allowance	1.5%	1.5%

Individual assessment allowance

As at 31 July 2011, there is no individual assessment allowance made as there is no impaired loans during and at the end of the period.

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14 Trade receivables

	31-Jul-11	31-Jan-11
	RM'000	RM'000
Amount owing by clients	159,853	217,143
Amount owing by brokers	181,074	265,989
	340,927	483,132
Less: Impairment allowance for bad and doubtful receivables		
Individual assessment allowance	(1,158)	(1,010)
	339,769	482,122
Amount owing by trustees	3,537	3,196
	343,306	485,318

15 Other assets

	31-Jul-11	31-Jan-11
	RM'000	RM'000
Interest receivable	5,072	3,813
Deposits	6,061	5,066
Tax recoverable	6,209	5,636
Other receivables and prepayments	19,519	9,696
	36,861	24,211
Less: Individual assessment allowance	(2,503)	(2,451)
	34,358	21,760

16 Deposits from customers

	31-Jul-11	31-Jan-11
	RM'000	RM'000
<u>By type of deposits</u>		
Short-term deposits	1,061,534	1,043,290
Negotiable instruments of deposit	1,237	3,516
	1,062,771	1,046,806

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16 Deposits from customers (cont'd.)

	31-Jul-11	31-Jan-11
	RM'000	RM'000
<u>By type of customers</u>		
Government and statutory bodies	126,100	70,000
Domestic business enterprises	167,209	173,913
Individuals	25,605	22,133
Non-bank financial institutions	743,857	780,760
	1,062,771	1,046,806

Maturity structure of short-term deposits and negotiable instruments of deposit are as follows:

Due within six months	1,062,671	1,007,513
More than six months to one year	100	39,293
	1,062,771	1,046,806

17 Deposits and placements of banks and other financial institutions

	31-Jul-11	31-Jan-11
	RM'000	RM'000
Licensed banks	90,000	201,008
Licensed investment banks	74,797	-
	164,797	201,008

18 Trade payables

	31-Jul-11	31-Jan-11
	RM'000	RM'000
Amount owing to clients	99,067	178,563
Amount owing to brokers	200,514	248,295
Client's trust monies	152,996	149,742
Amount owing to trustees	1,713	1,237
	454,290	577,837

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19 Other liabilities

	31-Jul-11	31-Jan-11
	RM'000	RM'000
Interest payables	4,505	4,552
Accruals and deposits received	11,844	14,196
Remisiers' and dealers' trust accounts	21,038	19,531
Other payables	17,990	35,586
	55,377	73,865

20 Interest income

	Current	Corresponding	Current	Corresponding
	quarter ended	quarter ended	year to date	year to date
	31-Jul-11	31-Jul-10	31-Jul-11	31-Jul-10
	RM'000	RM'000	RM'000	RM'000
Loans and advances	10,618	10,257	23,149	17,512
Stockbroking clients	77	76	164	325
Short-term funds and deposits with financial institutions	3,184	2,567	6,102	5,347
Securities:				
- available-for-sale	4,083	2,921	7,416	6,025
- held-to-maturity	1,354	38	2,159	444
Others	43	-	57	2
	19,359	15,859	39,047	29,655
Accretion of discounts less amortisation of premiums	876	173	2,370	269
	20,235	16,032	41,417	29,924

21 Interest expense

	Current	Corresponding	Current	Corresponding
	quarter ended	quarter ended	year to date	year to date
	31-Jul-11	31-Jul-10	31-Jul-11	31-Jul-10
	RM'000	RM'000	RM'000	RM'000
Deposits from customers	11,366	7,244	22,090	13,541
Deposits from banks and other financial institutions	404	817	1,178	1,684
Others	29	1	37	7
	11,799	8,062	23,305	15,232

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22 Non-interest income

	Current quarter ended 31-Jul-11 RM'000	Corresponding quarter ended 31-Jul-10 RM'000	Current year to date 31-Jul-11 RM'000	Corresponding year to date 31-Jul-10 RM'000
Fee income				
- Fees on loans and advances	1,433	662	3,604	2,531
- Corporate advisory fees	484	80	994	220
- Net brokerage fee	10,508	7,716	24,867	17,059
- Portfolio management fees	2,852	2,589	5,303	5,277
- Other fee income	979	150	1,493	1,395
	16,256	11,197	36,261	26,482
Investment and trading income				
Net gain arising from securities held-for-trading				
- Net gain on disposal	3,335	4,394	6,435	6,574
- Unrealised (loss)/gain on revaluation	(78)	(30)	179	655
- Gross dividend income	-	-	5	-
	3,257	4,364	6,619	7,229
Net gain arising from securities available-for-sale				
- Net gain on disposal	5,723	154	5,966	1,469
- Gross dividend income	-	865	450	1,383
	5,723	1,019	6,416	2,852
Net gain arising from derivatives				
- Net gain on disposal	409	-	1,551	-
- Loss on revaluation	(972)	(127)	(1,641)	(109)
	(563)	(127)	(90)	(109)
Gain on foreign exchange transactions	956	597	1,830	1,479
Total non-interest income	25,629	17,050	51,036	37,933

23 Other non-operating income

	Current quarter ended 31-Jul-11 RM'000	Corresponding quarter ended 31-Jul-10 RM'000	Current year to date 31-Jul-11 RM'000	Corresponding year to date 31-Jul-10 RM'000
Rental income	48	56	111	110
Gain/(loss) on disposal of property, plant and equipment	91	-	91	(15)
Gain on foreign exchange translations	2	3	23	58
Others	218	121	980	345
	359	180	1,205	498

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24 Operating expenses

	Current quarter ended 31-Jul-11 RM'000	Corresponding quarter ended 31-Jul-10 RM'000	Current year to date 31-Jul-11 RM'000	Corresponding year to date 31-Jul-10 RM'000
<u>Personnel expenses</u>				
Salaries, allowance and bonus	8,700	7,422	16,983	14,677
Contributions to defined contribution plan	1,227	982	2,403	1,937
Other personnel costs	1,361	1,295	2,287	1,983
	11,288	9,699	21,673	18,597
<u>Establishment costs</u>				
Depreciation of property, plant and equipment	1,223	1,000	2,377	2,041
Amortisation of computer software	118	112	234	200
Property, plant and equipment written off	-	-	-	277
Rental of premises	1,204	955	2,347	1,868
Rental of network and equipment	1,040	1,015	2,178	1,889
Other establishment costs	753	695	1,516	1,394
	4,338	3,777	8,652	7,669
<u>Marketing and communication expenses</u>				
Advertising expenses	183	445	191	445
Entertainment	300	179	533	305
Other marketing expenses	114	128	236	248
	597	752	960	998
<u>Administrative and general expenses</u>				
Audit fees	54	199	99	250
Legal and professional fees	352	240	2,168	342
Printing and stationery	224	142	448	292
Insurance, postages and courier	260	228	570	485
Electricity and water charges	309	254	568	485
Telecommunication expenses	184	176	344	339
Travelling and accommodation	165	92	357	185
Others	3,157	1,667	5,642	3,235
	4,705	2,998	10,196	5,613
Total operating expenses	20,928	17,226	41,481	32,877

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**25 (Writeback of)/allowance for losses
on loans, advance and financing**

	Current quarter ended 31-Jul-11 RM'000	Corresponding quarter ended 31-Jul-10 RM'000	Current year to date 31-Jul-11 RM'000	Corresponding year to date 31-Jul-10 RM'000
Collective assessment allowance				
- (Writeback of)/allowance made during the financial period	(1,194)	478	(2,160)	2,866

**26 (Writeback of)/allowance for impairment
allowance for bad and doubtful debts**

	Current quarter ended 31-Jul-11 RM'000	Corresponding quarter ended 31-Jul-10 RM'000	Current year to date 31-Jul-11 RM'000	Corresponding year to date 31-Jul-10 RM'000
Individual assessment allowance				
- Allowance made during the financial period	114	-	151	-
- Allowance writeback during the financial period	21	-	-	-
	135	-	151	-
General allowance				
- Allowance made during the financial period	-	(200)	-	(259)
	-	(200)	-	(259)
Specific allowance				
- Allowance made during the financial period	-	7	-	18
- Amount writeback during the financial period	-	(39)	-	(39)
	-	(32)	-	(21)
Bad debts:				
- Recovered	(5,112)	(28)	(6,913)	(31)
	(5,112)	(28)	(6,913)	(31)
	(4,977)	(260)	(6,762)	(311)

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27 Writeback of impairment loss

	Current quarter ended 31-Jul-11 RM'000	Corresponding quarter ended 31-Jul-10 RM'000	Current year to date 31-Jul-11 RM'000	Corresponding year to date 31-Jul-10 RM'000
Writeback of impairment loss:				
- Private debt securities:				
• Available-for-sale	-	-	(956)	-

28 Capital adequacy

The following is the computation of the capital adequacy ratio of ECM Libra Investment Bank Berhad ("the Bank"), the investment banking subsidiary of the Group.

(a) Risk weighted capital ratios and Tier I and Tier II capital

	31-Jul-11 RM'000	31-Jan-11 RM'000
<u>Tier I Capital</u>		
Paid-up share capital	513,000	513,000
Retained profit	69,055	69,055
Statutory reserve	65,720	65,720
Other reserves	612	612
	648,387	648,387
Less: Deferred tax assets *	(10,765)	(10,765)
Total Tier I capital (a)	637,622	637,622
<u>Tier II Capital</u>		
Collective assessment allowance for bad and doubtful debts and financing	8,016	10,176
Total Tier II capital (b)	8,016	10,176
Capital base (a) + (b)	645,638	647,798
Total risk-weighted assets	1,131,194	779,192

* excludes deferred tax on AFS reserve.

Core capital ratio	56.37%	81.83%
Risk weighted capital ratio	57.08%	83.14%

The capital adequacy ratios of the Bank are computed in accordance with BNM's revised Risk-Weighted Capital Adequacy Framework (RWCAF-Basel II). The Bank have adopted the Standardised Approach for Credit Risk and Market Risk and the Basic Indicator Approach for Operational Risk. The minimum regulatory capital adequacy requirement is 8.0% (2011: 8.0%) for the risk-weighted capital ratio.

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28 Capital adequacy (cont'd.)

(b) The breakdown of risk-weighted assets (RWA) by each major risk category is as follows:

	31-Jul-11	31-Jan-11
	RM'000	RM'000
Credit risk	480,332	401,250
Market risk	417,012	182,207
Operational risk	233,850	195,735
Total RWA	1,131,194	779,192

29 Valuation of property, plant and equipment

There was no valuation of property, plant and equipment of the Group in the quarter under review.

30 Material subsequent event

There were no material events subsequent to 31 July 2011.

31 Changes in the composition of the Group

There are no changes in the composition of the Group during the quarter under review.

32 Commitments and contingencies

(a) Capital commitments

As at 31 July 2011, the Group has commitments in respect of capital expenditure as follows: -

Authorised and contracted for	RM'000
	7,445

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32 Commitments and contingencies (cont'd.)

(b) Other commitments and contingencies

In the normal course of business, the Group makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

The risk-weighted exposures of the Group are as follows:

	Nominal Amount RM'000	Credit Equivalent Amount * RM'000	Risk Weighted Amount RM'000
<u>As at 31 July 2011</u>			
Commitments to extend credits with maturity of less than 1 year:			
- margin facilities	437,184	87,437	71,091
- term loan facilities	95,153	19,031	26,532
Foreign exchange related contracts	242	-	-
	<u>532,579</u>	<u>106,467</u>	<u>97,623</u>
<u>As at 31 January 2011</u>			
Commitments to extend credits with maturity of less than 1 year:			
- margin facilities	269,365	53,873	46,872
- term loan facilities	47,828	9,566	9,566
	<u>317,193</u>	<u>63,439</u>	<u>56,438</u>

* The credit equivalent amount is arrived at using the credit conversion factors as specified by BNM.

Part B – Additional information required by the listing requirements of Bursa Malaysia

33 Status of corporate proposals announced

There are no corporate proposals announced but not completed as at 31 July 2011.

34 Performance review on the results of the Group

For the current quarter under review, the Group recorded a profit before tax of RM19.7 million. This is largely contributed by net brokerage income of RM10.5 million, fee income of RM5.7 million, net gain from trading and investment securities of RM8.4 million, net interest income of RM8.4 million as well as write back of impairment allowance of RM5.0 million from a legacy pre-merger account; partially offset by operating expenses of RM20.9 million.

35 Review of performance of current financial quarter against immediate preceding financial quarter

For the financial quarter under review, the Group achieved a profit before tax of RM19.7 million as compared to the RM19.1 million registered for the immediate preceding quarter.

For the current quarter, the Group reported a writeback of impairment allowance for bad and doubtful debts of RM5.0 million as compared to RM1.8 million in the last quarter. This increase was partially offset by a lower net interest income of RM8.4 million in the current quarter compared to RM9.7 million in the previous quarter.

36 Group's prospects

The Group's fundamentals and financial position remain strong and is expected to show satisfactory performance in the current financial year.

37 Profit forecast

The Group has not entered into any scheme that requires it to present forecast results or guarantee any profits.

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38 Income tax expense

	Current quarter ended 31-Jul-11 RM'000	Corresponding quarter ended 31-Jul-10 RM'000	Current year to date 31-Jul-11 RM'000	Corresponding year to date 31-Jul-10 RM'000
Income tax:				
Current period provision	268	224	449	497
Under provision of tax in prior years	-	-	64	-
	<hr/> 268	<hr/> 224	<hr/> 513	<hr/> 497
Deferred taxation:				
Transfer from deferred tax	4,778	1,662	9,296	4,073
	<hr/> 5,046	<hr/> 1,886	<hr/> 9,809	<hr/> 4,570

39 Sale of unquoted investments and properties

There was no sale of unquoted investments and property during the quarter under review, other than those held by the investment bank subsidiary in the ordinary course of business.

40 Quoted securities

There are no investments in quoted securities as at 31 July 2011, other than those held by the investment bank and Labuan investment bank subsidiaries in their ordinary course of business.

41 Group borrowings

The Group has no borrowings and debt securities as at 31 July 2011.

42 Derivative financial instruments

Details of derivative financial instruments outstanding as at 31 July 2011 are as follows:

- i) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts and maturity analysis.

	Notional amount RM'000	Fair value asset RM'000
<u>As at 31 July 2011</u>		
Equity related contracts - options		
- less than one year	64,692	52
Embedded derivatives		
- one year to three years	124,075	6,630
	188,767	6,682
<u>As at 31 January 2011</u>		
Equity related contracts - options		
- less than one year	55,244	1,693
Embedded derivatives		
- one year to three years	147,075	7,859
	202,319	9,552

- ii) The financial risks associated with derivatives are as follows:

Market risk

Market risk on derivatives is the potential loss to the value of these contracts due to changes in price of the underlying items such as equities, interest rates, foreign exchange, credit spreads or other indices. The notional or contractual amounts provide only the volume of transactions outstanding at the reporting date and do not represent the amounts at risk. Exposure to market risk may be reduced through offsetting items from on and off-balance sheet positions.

Credit risk

Credit risk arises from the possibility that a counter-party may be unable to meet the terms of a contract in which the Group has a gain in a contract. As at 31 July 2011, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts was RM188,767,000 (30 April 2011: RM210,834,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity risk

Liquidity risk is defined as the risk of the Group encountering difficulties in fulfilling its current or future payment obligations in full at the maturity date of derivatives.

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42 Derivative financial instruments (cont'd.)

- iii) There have been no changes since the end of the previous financial year in respect of the following:
- a) The types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
 - b) The risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
 - c) The related accounting policies.

43 Realised and unrealised retained profits

The breakdown of the retained profits of the Group as at 31 July 2011 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Securities dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Current year to date 31-Jul-11 RM'000	Previous year to date 31-Jan-11 RM'000
Total retained profits of the Group		
- Realised	76,471	62,676
- Unrealised	(6,507)	12,337
	69,964	75,013
Total share of retained profits from associate		
- Realised	380	380
	70,344	75,393
Add: Consolidation adjustments	1,417	1,108
Retained profits as per financial statements	71,761	76,501

The unrealised retained profits of the Group as disclosed above excludes translation gains and losses on monetary items denominated in a currency other than the functional currency and foreign exchange contracts, as these translation gains and losses are incurred in the ordinary course of business of the Group, and are hence deemed as realised.

44 Material litigations

There is no pending material litigation for the Group as at the date of this report.

45 Dividend

No dividend has been proposed for the quarter ended 31 July 2011.

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46 Earnings per share

	Current quarter ended 31-Jul-11	Corresponding quarter ended 31-Jul-10	Current year to date 31-Jul-11	Corresponding year to date 31-Jul-10
Net profit (RM'000)	14,621	5,057	28,941	12,308
Weighted average number of ordinary shares in issue ('000)	819,020	815,594	816,491	811,035
Basic/diluted* earnings per share (sen)	1.79	0.62	3.54	1.52

The basic earnings per ordinary share is calculated by dividing the net profit for the quarter by the weighted average number of ordinary shares in issue during the quarter.

* Outstanding ESOS have been excluded from the computation of fully diluted earnings per RM1 ordinary shares as the average market price of the ordinary shares is currently below the exercise price of the options.

Date : 22 September 2011